

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

Rule 4.7B

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

HORIZON GLOBAL LIMITED

ABN

009 201 763

Quarter ended ("current quarter")

31 December 2004

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers		
1.2 Payments for		
(a) staff costs	(60)	(60)
(b) advertising and marketing		
(c) research and development	(5)	(6)
(d) leased assets		
(e) other working capital	(153)	(180)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	6	13
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>(212)</b>	<b>(233)</b>

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	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(212)	(233)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets	(1)	(1)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments	35	35
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
<b>Net investing cash flows</b>	34	34
<b>1.14 Total operating and investing cash flows</b>	(178)	(199)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (provide details if material)		
<b>Net financing cash flows</b>		
<b>Net increase (decrease) in cash held</b>	(178)	(199)
1.21 Cash at beginning of quarter/year to date	526	547
1.22 Exchange rate adjustments to item 1.20		
1.23 <b>Cash at end of quarter</b>	348	348

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**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	66
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

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**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

<p>Horizon Global shareholders unanimously approved the purchase of a 51% interest in AstroVision Australia Limited ACN 106 513 688 at the AGM held 26 November 2004.</p> <p>The consideration for the acquisition and further details regarding AstroVision are disclosed under item 5 “Acquisitions and disposals of business entities” following.</p>
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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	28	6
4.2 Deposits at call	320	520
4.3 Bank overdraft		
4.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.22)	348	526

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	AstroVision Australia Limited	
5.2 Place of incorporation or registration	New South Wales	
5.3 Consideration for acquisition or disposal	(a) 19,507,500 ordinary shares in Horizon Global Limited at a deemed consideration of \$0.05 each. These shares are escrowed until 26 November 2005. (b) 9,753,750 options to acquire ordinary shares in Horizon Global Limited at a price of 10c on or before 31 December 2007. (c) 7,753,750 options to acquire ordinary shares in Horizon Global Limited at a price of 15c on or before 31 December 2008.	
5.4 Total net assets	\$605,510	
5.5 Nature of business	Provision of satellite imaging data and applications.	

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Paul Gregory BURGE  
(Director and Company Secretary)

Date: 31 January 2005

## **ASTROVISION AUSTRALIA LIMITED (“ASTROVISION”)**

Horizon Global shareholders unanimously approved the purchase of a 51% interest in AstroVision at the AGM held 26 November 2004. Horizon directors Mark Scott and Paul Burge have joined the AstroVision board, and AstroVision has moved its operations to Horizon’s offices.

The thrust of AstroVision’s efforts during the last quarter has been to generate broad based government support for its products and to demonstrate the enormous public benefit that will be derived from their use, thus paving the way for contracts for service to both the state and federal governments. Benefits offered by the AstroVision system include reduction of operational costs, creation of efficiencies in resource allocation, and assistance in national security efforts. AstroVision is currently engaged in serious discussions with a number of government agencies for the purposes of signing contracts for services.

Contract discussions have commenced with other key target market segments including insurance companies, telecommunications companies, power utilities and maritime organizations. In addition AstroVision executed a marketing agreement with Astro Research Corporation of Japan to work together to develop the Japanese, Korean, and Chinese markets for AstroVision’s services.

AstroVision executed a teaming agreement with the Australian Centre for Advanced Computing and Communications (“ac3”) to work together in a business development capacity to establish a series of services based on remote sensing information from AstroVision’s planned geostationary satellite. A relationship has been formed to secure projects involving high quality technical and information systems support services based on the capabilities of AstroVision and ac3. The Parties have agreed to target certain fields of work, including selected tenders and that when successful, the Parties will mutually support each other to deliver the standard of services required by customers.

More teaming agreements are under discussion, together with negotiations to further AstroVision’s plan of establishing a team of key players for support services to ensure the overall success of the business. Discussions are underway with satellite service providers for ground station and satellite control, computer companies for the provision of supercomputers to handle data, and universities for research and development of new applications and training for professions using the data and associated applications.

## **HTV TECHNOLOGY (“HTV”)**

There was no significant progress in the commercialisation of HTV during the quarter. The directors are reassessing HTV and are in discussions with the developer, Ashod Apakian, regarding the project’s future.

## **FINANCIAL SUMMARY**

At 31 December 2004 Horizon had \$362,974 in net liquid assets. This includes cash and listed investments less creditors in the normal course of business. The listed investments are valued at the last sale price of the December quarter.

The investment in AstroVision increased the burn rate of cash for overheads and on-going development expenditure to approximately \$178,113 for the quarter. Horizon has agreed to fund the operations of AstroVision and the expected burn rate after the additional funding requirements for AstroVision is expected to be approximately \$150,000 per quarter.

## **DIRECTORS' COMMENTS**

The AstroVision satellite imaging business is at an early stage of development and there are significant challenges ahead. Whilst there are many hurdles to be overcome and milestones to be met, the directors are very confident about the investment in AstroVision. Given that the potential returns far outweigh the aforementioned risks, every effort is being made to enhance the successful development of AstroVision's satellite imaging business.

Further information can be obtained from the Company Secretary, Mr Paul Burge, on:

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paulb@horizontv.net

**HORIZON GLOBAL LIMITED**

**31 January 2005**